

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 2/19/2013	(3) CONTACT/PHONE Kami Griffin, Assistant Director / 781-5708	
(4) SUBJECT Report on Department of Planning and Building Priorities. All Districts			
(5) RECOMMENDED ACTION It is recommended that the Board provide direction regarding any changes to the Department priorities as set by the Department.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { } Consent { } Presentation { } Hearing (Time Est. _____) { X } Board Business (Time Est. 90 min _____)			
(11) EXECUTED DOCUMENTS { } Resolutions { } Contracts { } Ordinances { X } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: { } 4/5th's Vote Required { X } N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } N/A Date September, October, November 2008; January, February, September 2009; January, August, November 2010; January, March, June, October 2011; February, October 2012	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building / Kami Griffin, Assistant Director

VIA: Jason Giffen, Director, Department of Planning and Building

DATE: 2/19/2013

SUBJECT: Report on Department of Planning and Building Priorities. All Districts

RECOMMENDATION

It is recommended that the Board provide direction regarding any changes to the Department priorities as set by the Department.

DISCUSSION

Background

Beginning in October of 2008, the Department of Planning and Building has been providing reports to the Board of Supervisors on Department workload and priorities. On October 9, 2012, the Department presented the latest comprehensive priority and workload update to the Board.

Four Guiding Department Priorities

As part of past actions, the Board has established four guiding priorities for the Department. As part of the October 2012 presentation on Department priorities the Board provided the following direction to use during preparation of the Department budget for fiscal year 2013-2014 and to determine which projects are a part of the "Top10" list.

- (1) Paying customers are not adversely affected;
- (2) Mandates are accomplished;
- (3) That the department should focus on those items that forward the goals and the implementation of a Comprehensive County Energy Strategy; and
- (4) That the department should focus on those items that forward the goals and the implementation of a County Economic Strategy.

Department Priorities

For the remainder of this fiscal year and next fiscal year the Department will be focusing on four areas using the four guiding priorities as defined above. These are: Process Improvements, Infrastructure, Energy and Economic Development. Each of these key focus areas is reflected by items on the attached tables.

Process Improvements – Beginning in early 2009, the Board of Supervisors reviewed a number of streamlining measures proposed by a committee made up of two Board of Supervisor members, two Planning Commission members and two members from Planning and Building staff. A number of process changes were implemented. Additionally, the Board directed that a revised committee be established that would focus on streamlining, making the process predictable and fair and determining reasonable time frames. The Department formed two committees. One committee focused on the Construction Permit process; the other looked at the Land Use Permit process. The basis for breaking into two Process

Improvement Committees (PICs) was a desire to have the real users of these systems involved and provide specific and practical solutions. In June 2011 the Board reviewed a series of recommendations from the PICs and directed implementation of all the administrative changes proposed that had not already been implemented by the Department. These included creation of project management expectations, a definition of customer and stakeholder, an expedited process for review of construction permits by the fire agencies, a streamlined environmental review for major grading permits, a clear method to request concurrent processing of land use permits and construction permits, and various revised checklists, letters and forms. This process of continuous improvement has been sustained through meeting with a Planning User Group and a Building User Group in 2012. Further meetings with these User Groups will occur in 2013 in order to continue to develop and implement process improvements.

Infrastructure - In 2009, an interdepartmental team made up of members from Public Works, Planning and Building, General Services, Auditor-Controller's Office, Administrative Office, San Luis Obispo Council of Governments, and LAFCo, was formed to discuss development of an Infrastructure Funding Policy in response to two General Plan programs. Specifically the program stated that an infrastructure policy be created that addresses the following goals:

- a. New development pays its fair share.
- b. The larger community pays its fair share for existing deficiencies and improvements providing general benefit.
- c. Infrastructure is in place or funded concurrently with the need.
- d. Funding mechanisms such as community facility districts.

This team met monthly during 2009 to discuss and collaborate on a proposed draft plan for infrastructure planning and funding pursuant to the general plan program outlined above. The Board adopted this policy by resolution in June 2010 (Exhibit A). The policy acknowledges the need for Infrastructure Funding Plans for each unincorporated community in the county in order to fund necessary infrastructure projects. The first of these plans was prepared for the community of Shandon during the update of the community plan. The next community plan update underway is for San Miguel that will include an Infrastructure Funding Plan. The Department has requested funding, as part of the proposed budget for FY2013-14, for an Infrastructure Funding Plan for the community of Los Osos as part of the update of the community plan. As community plans are updated, they will include an Infrastructure Funding Plan consistent with the Board's adopted policy.

In addition, discussion was held on the need for a consolidated Capital Improvement Plan. Until 2012, no single Capital Improvement Plan (CIP) document existed that compiles the work of the individual departments. The first consolidated CIP was reviewed and accepted by the Board in March 2012. This CIP was the result of a new process that consolidates the information about planned infrastructure and facility projects for the next five years into a single document. The new process incorporates greater consideration of land use plans and goals and identifies proposed projects by function and community. Representatives from the County Administrative Office, General Services Agency, Public Works, and Planning and Building formed a core working group that evaluated the current methods used to plan and develop infrastructure and facility projects. The core group is known as the Infrastructure and Facilities Coordinating Committee (IFCC). The IFCC then developed the new process used to create the CIP. The Department will continue to participate as part of this consolidated effort. In addition, the Department will continue to meet regularly with the various Community Services Districts to better understand their service gaps and CIPs. Information that will be developed through the Complete Communities Survey will help to inform this effort.

In December 2012, the Board reviewed an item presented by Public Works regarding alternatives for stabilizing groundwater levels in the Paso Robles Groundwater Basin. The Board accepted the recommendations made by the Blue Ribbon Steering Committee and authorized Public Works staff to proceed with developing requests for proposals to prepare feasibility studies for alternatives identified in the report. These include mechanisms for water conservation, supplemental water and recycled water. The Department will continue to coordinate with Public Works on the alternatives.

Energy – On August 28, 2012, the Board reviewed the County's Comprehensive Energy Strategy. The strategy focuses on four main areas:

1. Education and outreach - to the community related to the economic benefits of energy efficiency and renewable energy, as well as the consumer benefits to customers who retrofit their homes and businesses. This includes making homes and businesses more comfortable in all seasons and saving energy and lowering energy bills.
2. Providing regulatory relief - for both distributed and utility-scale renewable energy projects. For example, developing an ordinance to simplify permitting for small renewable energy developers and land owners who want to participate in this industry.
3. Maximizing funding opportunities - to bring down the cost of energy efficiency and renewable energy to consumers and to the County for its facilities (including no or low interest loans, rebates, grants, etc.).
4. Increasing the benefits for the rate payers in the county - (in the form of utility financing of energy retrofits) as we all pay into energy efficiency programs through our utility bills.

In order to best implement this comprehensive County Energy Strategy, the Administrative Office, General Services Agency and Planning and Building have developed a governance structure that consists of an Energy Executive Steering Committee (EESC) and an Energy Community of Interest (EnergyCOI). This governance structure was presented to the Board in August 2012 and follows the same governance structure used for both the Capital Improvement Program and the Information Technology Program. The EESC membership is made up of six managers from the Administrative Office, the General Services Agency and the Planning and Building Department. These organizations are most directly involved in the development and implementation of the County's Energy Strategy. The EnergyCOI is made up of staff from the Administrative Office, General Services, Planning and Building, and Public Works. The EnergyCOI will serve as the County's energy and renewable technology experts who will stay informed about technological developments, grant and other funding opportunities and the County's progress in reaching the goals outlined in the COSE and EWP. The EnergyCOI will develop proposed priorities and make recommendations to the EESC who will oversee the development, implementation and update of the County's energy strategy, while assuring effective coordination and collaboration in implementation of energy program activities. The EESC will also periodically provide updates to the Board of Supervisors on the County Energy Strategy.

In addition, the Department is taking a more active role in the in our participation with PG&E and So Cal Gas in the Energy Watch Partnership with the Economic Vitality Corporation and the incorporated cities. The Department is also pursuing participation with Santa Barbara and Ventura Counties in the Empower Central Coast program that would provide low interest loans for homeowners looking to complete energy efficiency projects.

Department staff have also been engaged in discussions on future funding opportunities that could finance a programmatic approach to streamline and even incentivize renewable energy development, including small-scale solar energy facility (SEF) projects. Potential grant funding could be available that would allow for the County to develop programs and ordinances for regulatory assistance and streamlining. Examples of regulatory relief could come in the form of a programmatic approach that simplifies the discretionary permit process, including allowing specific SEF projects to occur with a ministerial review. We will continue to monitor those grant funding opportunities.

Economic Development – In addition to completing the recently adopted Economic Element update, the Department will continue to assist the Economic Vitality Corporation with implementation of the economic analysis pilot program and participate with the business clusters in their implementation of the Economic Vitality Corporation's Clusters of Opportunity Economic Strategy.

The Department will also continue the successful Business Assistance Team (BAT) Pilot Project for businesses that will provide quality jobs within urban areas. This process is able to improve the speed and predictability of permits. The projects that have been approved using the BAT program demonstrate

that a permit can be processed quickly when the major environmental and infrastructure issues have been resolved up front and when County priorities enable its staff to expedite permits. This is why the Planning and Building Department has long promoted the concept of master-planned developments, both residential and commercial, as a strategy for resolving physical constraints to new development well in advance of individual project applications. So far, there have been four approved BAT projects and there is one that is currently in process with a number of others awaiting application submittal.

Attached Tables

The attached tables have been updated and reflect both the priorities as set forth by your Board and the adopted FY12-13 budget (See Exhibit B for additional information). The shaded items in the tables note the current "Top 10" priorities. Items added new or moved up from tables 4, 5, or 6 since February 2012 are noted in the tables with double lines. The tables also note where a project or program is an implementation measure identified in an adopted General Plan Element. In addition, the tables reflect additional business operation and technical support priorities that are needed to provide improvements to customer service and to increase County operational effectiveness, such as the conversion of microfiche to scanned documents and the replacement of the permit tracking system. Tables 4, 5, and 6 includes all programs from the County's General Plan. The last column notes which, if any, of the four guiding priorities apply. For a summary of the content included in Tables 1 – 6, refer to Exhibit B.

Table 2 specifically addresses mandated programs that are not revenue generating or offset. These items require general fund support and can require a significant amount of staff resources. Some of these items are mandated by County Ordinance or the General Plan. Typically the repercussions of not meeting these local mandates are not fiscal but rather are a matter of the Board not receiving reports on various programs that the Department administers. For example, the Biennial Resource Summary Report provides the Board information on the resources tracked by the County's Resource Management System. On the other hand, non-compliance with State and Federal mandates have varying consequences. For instance, if the County does not comply with the requirements of the Federal Emergency Management Administration (FEMA), the County, including businesses and residents, could lose its flood insurance or have premiums increased. As both the Department and the Board consider mandates important, as evidenced by mandates being the second guiding priority, Department resources are focused on these programs oftentimes before working on other programs.

Status of Top 10 Priorities

The Department maintains an active "Top 10" list of priorities. The Department is recommending a new Top 10 list based on previous decisions and direction from the Board of Supervisors. In addition to removing items that have been completed since October 2012 when we were last before you, two other items have been recommended for removal.

Completed Top 10 Items

The following item was completed since the last update of the Top 10 list.

- **Prepare an update to the Economic Element of the General Plan.**

Status: Complete. The Board of Supervisors authorized an update to the County Economic Element of the General Plan on September 6, 2011. The Planning Commission recommended adoption of the update on August 23, 2012. Your Board approved the update on October 23, 2012.

Recommended Deletions from the Top 10 Priorities

The Special Events ordinance amendments and the amendments to the agricultural cluster subdivision program are recommended for removal from the Department's Top 10 list. Both these items remain on Table 3, however they are not current priority items and because of this should not be on the Top 10 list. When the Uniquely SLO business cluster returns the proposed Special Event ordinance amendments to the Department with their evaluation and comments, work can resume including scheduling the amendments for continued public hearings before your Board. The amendments to the agricultural cluster subdivision provisions need to be reevaluated based on public comments received and the

Board's direction from the public hearing held on December 4, 2012. Staff will return with recommendations on how to proceed within 18-24 months.

- **Adopt ordinance amendments regarding Special Events.**

Status: In Progress. On July 28, 2011, the Planning Commission recommended specific amendments to the Board of Supervisors relative to special events. The Board considered the Planning Commission's recommendation on October 4, 2011 and continued the item off calendar to have staff work with the "Uniquely SLO" business cluster. The business cluster provided staff with some modifications and the ordinance was revised and returned to the business cluster for additional review. Staff is expecting to hear back from the business cluster in Spring/Summer 2013.

- **Prepare General Plan and ordinance amendments to modify agricultural cluster subdivision policies and standards.**

Status: In Progress. Draft amendments were prepared in early 2011. The Final Environmental Impact Report, which was prepared entirely in-house, was completed in early August 2012. The Planning Commission recommended approval of the proposed amendments on August 30, 2012. Your Board heard the amendments in November and December 2012 and continued the item off calendar. Staff will return to the Board within 18-24 months with recommendations for continued processing of these amendments based on the comments received at the public hearing and direction from the Board of Supervisors.

Proposed Top 10 Priorities

Based on direction from your Board, the proposed Top 10 list and status is as follows:

- **Complete the Oceano Community Revitalization Plan.**

Status: In Progress. The Department received grant funding, and after an RFP process hired a consultant to prepare the plan. Residents and stakeholders participated in an extensive public engagement process to produce a vision to revitalize historic Highway 1 and adjoining streets and blocks. The resulting plan will focus on multi-modal transportation improvements and development strategies that foster community identity, local economic opportunities, and improved access to services and amenities. The plan should be complete by Spring / Summer 2013.

- **Prepare the Public Review Draft of the Land Use and Circulation Element (LUCE) update**

Status: In Progress. Plan preparation is underway. A public outreach program, including stakeholder interviews, started in 2010 and continued in 2011. On March 29, 2011, the Board directed staff to undertake a consolidation and reorganization of the Land Use Element to streamline and make it user-friendly. A public review draft of the consolidated plan and environmental document is available and outreach with the Community Advisory Councils has begun. Public hearings before the Planning Commission should begin by Summer 2013.

- **Complete amendments to implement post-construction stormwater requirements.**

Status: In Progress. On September 6, 2012, the Central Coastal Regional Water Quality Control Board (CCRWQCB) passed Resolution R-3-2012-00-2 that established Post-Construction Stormwater Management Requirements for Development Projects for municipalities throughout the Central Coast Region. Amendments to the Land Use Ordinance and Coastal Zone Land Use Ordinance will be required to implement these requirements. The CCRWQCB gave municipalities one year from adoption of the Resolution to make changes to their ordinances and begin implementation.

- **Prepare a 'Complete Communities' survey**

Status: In Progress. The Department received a grant to complete a community infrastructure needs assessment for the communities of San Miguel, Nipomo, Oceano, and Templeton. Public meetings occurred in the communities in late 2012 and a report on the survey should be complete by Summer of 2013.

- **Complete the draft Los Osos Habitat Conservation Plan (Begin Fish and Wildlife agency review) and begin Los Osos Community Plan update.**
Status: In Progress. Consultation between agencies and County staff is occurring. Phase I includes the agency review draft plan and is scheduled for completion in 2013. Phase II includes public review of the draft plan and is scheduled to be completed in 2014. The Community Plan update has been authorized for processing by the Board. Some funding for preparation of an Environmental Impact Report is in the Department budget, additional funding is being requested in FY 13-14 budget.
- **Prepare ordinance amendments to implement a Planned Development Ordinance.**
Status: In Progress. A revised draft ordinance was prepared based on comments received from an Ad Hoc committee of architectural professionals. This was released to the public late 2012. Staff has been completing outreach to the Community Advisory Councils. Hearings before the Planning Commission are scheduled to begin in March 2013.
- **Complete the Camp Roberts Joint Land Use Study.**
Status: In Progress. On August 17, 2010, your Board passed a resolution supporting the development of a Joint Land Use Study (JLUS) for Camp Roberts and application for a grant to conduct the study. In March 2011, the grant was awarded. After an RFP process, a contract was awarded on July 26, 2011 to a consultant for preparation of the JLUS. Data has been collected, two public meetings held, and four meetings with the JLUS Technical and Policy Committees. Additional public and committee meetings will be held. The JLUS should be completed by the Summer of 2013.
- **Complete e-permitting for specific photovoltaic systems.**
Status: In Progress. The Department is currently in development of an e-permit for specific photovoltaic system permits. This would allow applicants to complete the permitting process entirely on-line without having to come into the office.
- **Update the San Miguel Community Plan. (Replaces completed PRGWB Ordinance Amendments)**
Status: In Progress. Following a successful community outreach process and preparation of an administrative draft plan by the City and Regional Planning Department at Cal Poly, the Board, on November 1, 2011, authorized the community plan update. Grant funding was received to complete technical background reports which are underway. A public review draft is expected to be released in Spring 2013 with public hearings expected to begin in late 2013, early 2014 after completion of the environmental review. This comprehensive community-based plan will help shape new growth and development, enhance the quality of life, and bring vitality to San Miguel.
- **Prepare ordinance amendments to revise standards to encourage in-fill development**
Status: In Progress. The Department received a grant to complete amendments that would evaluate and revise existing provisions in the Real Property Division Ordinance (Title 21), Land Use Ordinance (Title 22) and Coastal Land Use Ordinance (Title 23) which make it difficult to develop on in-fill sites in urban areas in compliance with the County's strategic growth policies. A Request for Proposal process was completed and a consultant was chosen. Public outreach is occurring and drafts of these amendments should be available in the Summer/Fall of 2013.

Summary

The attached tables illustrate that the Department has a large number of programs being worked on in addition to many complicated permit applications. The four guiding priorities established by your Board are directing how the Department is prioritizing completion of these programs and permit applications. Timing of completion is based on the availability of staff resources, the need to complete mandated programs and continuing to provide responsive service to our customers who are processing applications for permits.

If the Board directs the Department to take on additional tasks, programs or implementation of policies prior to the items on the Tables 1-3 being completed, we will need to reevaluate our ability to complete the items within the timeframes outlined and this will very likely lead to deferment of the programs and

projects listed. Although projects on Tables 1-3 are complete, new projects have been added. These new items are based on Board direction provided to the Department, as well as state and federal mandates.

Currently the Department estimates that in order to complete the revenue generating items on Table 1, 38.25 FTE (full time equivalent) positions are needed. The mandated and budgeted programs on Tables 2 and 3 require an approximate additional 51.5 FTE positions. The Department currently has 89.75 FTE positions on the Position Allocation List (PAL) and at this time, 6.75 of these positions are vacant and are under recruitment. Any change to the number of FTE positions on the Department PAL would affect the ability to complete the programs that are currently budgeted, as well as, the Department's ability to take on any additional work.

The Planning and Building Department will continue to provide updates to your Board relative to the Department's priorities and progress towards completion of our assigned workload.

OTHER AGENCY INVOLVEMENT/IMPACT

The Department regularly coordinates with County Counsel, Public Works, County Parks, Agricultural Department, Environmental Health, Air Pollution Control District, Local Agency Formation Commission, San Luis Obispo Council of Governments, Airport Land Use Commission, Cal Trans, Cal Fire, and California Coastal Commission. Continued collaboration and coordination between these agencies and others will occur as the Department strives to continuously improve.

FINANCIAL CONSIDERATIONS

Completion of programs that are not revenue-offset requires General Fund support. The level of General Fund support is determined each fiscal year through the Department's approved budget. In the adopted budget for fiscal year 2012-2013, revenues were estimated at \$5,204,860, expenditures at \$11,115,707 and General Fund support at \$5,910,847.

RESULTS

The discussion with the Board will provide more clarity about the overall workload, priority of workload items and specific programs for the Department to focus on in remaining months of fiscal year 2012-2013 and looking ahead at budgeting for fiscal year 2013-2014, consistent with the countywide goal of a Well-Governed Community.

ATTACHMENTS

1. Exhibit A – Infrastructure Planning and Funding Policy - Adopted by Resolution 9/7/10
2. Exhibit B - Description of Tables 1 - 6 / Guiding Priorities and Tables 1, 2, 3, 4, 5, and 6
3. Exhibit C - Representative Sample of Major Development Projects in Process